



AGENDA

Henderson City Council Regular Meeting

Monday, 14 January 2013, 6:00 p.m.

R. G. (Chick) Young, Jr. Council Chambers, Municipal Building

134 Rose Avenue

Henderson, North Carolina

Mayor and City Council Members

Mayor James D. O'Geary, Presiding

Councilmember James C. Kearney, Jr.

Councilmember Sara M. Coffey

Councilmember Michael C. Inscoe

Councilmember D. Michael Rainey

Councilmember Brenda G. Peace—Jenkins

Councilmember Garry D. Daeke

Councilmember Vernon L. Brown

Councilmember George M. Daye

City Officials

A. Ray Griffin, Jr., City Manager

John H. Zollicoffer, Jr., City Attorney

Esther J. McCrackin, City Clerk

I. CALL TO ORDER

II. ROLL CALL

III. INVOCATION AND PLEDGE OF ALLEGIANCE

IV. OPENING REMARKS

In order to provide for the highest standards of ethical behavior and Transparency in Governance as well as provide for good and open government, the City Council has approved Core Values regarding Ethical Behavior¹ and Transparency in Governance². The Mayor now inquires as to whether any Council Member knows of any conflict of interest, or appearance of conflict, with respect to matters before the City Council. If any Council Members knows of a conflict of interest, or appearance of conflict, please state so at this time.

¹ **Core Value 4: Ethical Behavior:** We value the public trust and will perform our duties and responsibilities with the highest levels of integrity, honesty, trustworthiness and professionalism.

² **Core Value 10: Transparency in Governance:** We value transparency in the governance and operations of the City.

V. ADJUSTMENTS TO AND/OR APPROVAL OF THE AGENDA

VI. APPROVAL OF MINUTES

- a) 10 December 2012 Regular Meeting *[See Notebook Tab 1]*

VII. PUBLIC HEARING

- a) Consideration of Approval of Ordinance 13-02, Providing That Electronic Gaming Operations May Be Located Near Professional Training Schools for Adults. (CAF 13-03) *[See Notebook Tab 2]*
- Public Hearing
 - Ordinance 13-02

VIII. PUBLIC COMMENT ON AGENDA ITEMS

Citizens may only speak on Agenda items at this time. Citizens wishing to address the Council must sign-in on a form provided by the City Clerk prior to the beginning of the meeting. The sign-in form is located on the podium. When recognized by the Mayor, come forward to the podium, state your name, address and if you are a city resident, and identify the Agenda Item about which you wish to speak on the sign-up sheet. Please review the Citizen Comment Guidelines that are provided on the last page of this Agenda.³

IX. NEW BUSINESS

- a) Consideration of Approval of Resolution 13-09, Authorizing Bid Award for the Henderson Water Reclamation Facility Project to Devere Construction Company, Inc., in the Amount of \$15,519,000, and 2) Ordinance 13-08, FY 13 Budget Amendment #22, Authorizing Additional Funds to the Henderson Water Reclamation Facility Project. (CAF 13-12) *[See Notebook Tab 3]*
- Resolution 13-09
 - Ordinance 13-08
- b) Consideration of Approval of 1) Ordinance 13-07, FY 12-13 Budget Amendment #21, Amending Fund 73: Economic Development Capital Reserve Fund; and 2) Resolution 13-07, Authorizing an Amendment to the Capital Reserves Economic Development Fund Increasing City's Share of Funding for Thermo King Water Line Project, EDP Prospect 12-2. (CAF 13-10) *[See Notebook Tab 4]*
- Ordinance 13-07
 - Resolution 13-07

XI. CONSENT AGENDA

All matters listed under the Consent Agenda have either been previously discussed by City Council during a previous meeting and/or are considered in the ordinary course of business by the City Council and will be enacted-on by one motion and a roll call vote in the form listed. If discussion is desired by either the Council or the Audience, the item in question will be removed from the Consent Agenda and considered separately after the revised consent agenda has been approved.

- a) Consideration of Approval of Resolution 13-06, Supporting the 2013-2015 Funding for the Clean Water Management Trust Fund (CWMTF). (CAF 13-08) [See Notebook Tab 5]
 - Resolution 13-06
- b) Consideration of Approval of Tax Releases and Refunds from Vance County for the Month of November 2012. (CAF 13-04) [See Notebook Tab 6]

XII. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

Citizens may only speak on non-Agenda items only at this time. Citizens wishing to address the Council must sign-in on a form provided by the City Clerk prior to the beginning of the meeting. The sign-in form is located on the podium. When recognized by the Mayor, come forward to the podium, state your name, address and if you are a city resident. Please review the Citizen Comment Guidelines that are provided on the last page of this Agenda.³

XIII. REPORTS

- a) Mayor/Mayor Pro-Tem
- b) City Manager
 - i. Promissory Note for Sanitary Sewer Project. (CM 13-02) [See Notebook Tab 7]
- c) City Attorney
- d) City Clerk
 - i. Calendar Notes and Schedule Update [See Notebook Tab 8]
 - ii. Various Departmental Reports
 - a) Henderson Fire Department

XIV. ADJOURNMENT

³ Citizen Comment Guidelines

The Mayor and City Council welcome and encourage citizens to attend City Council meetings and to offer comments on matters of concern to them. Citizens are requested to review the following public comment guidelines prior to addressing the City Council.

- 1) Citizens are requested to limit their comments to five minutes; however, the Mayor, at his discretion, may limit comments to three minutes should there appear to be a large number of people wishing to address the Council;
- 2) Comments should be presented in a civil manner and be non-personal in nature, fact-based and issue oriented. Except for the public hearing comment period, citizens must speak for themselves during the public comment periods;
- 3) Citizens may not yield their time to another person;
- 4) Topics requiring further investigation will be referred to the appropriate city official, Council Committee or agency and may, if in order, be scheduled for a future meeting agenda;
- 5) Individual personnel issues are confidential by law and will not be discussed. Complaints relative to specific individuals are to be directed to the City Manager;
- 6) Comments involving matters related to an on-going police investigative matter and/or the court system will not be permitted; and
- 7) Citizens should not expect specific Council action, deliberation and/or comment on subject matter brought up during the public comment section unless and until it has been scheduled as a business item on a future meeting agenda.

City Council Minutes
Regular Meeting
14 January 2013

PRESENT

Mayor James D. O'Geary, Presiding; and Council Members James C. Kearney, Sr., Sara M. Coffey, Michael C. Inscoc, D. Michael Rainey, Garry D. Daeke, Vernon L. Brown, and George M. Daye.

ABSENT

Council Member Brenda Peace-Jenkins.

STAFF PRESENT

City Manager Ray Griffin, City Attorney John Zollicoffer, City Clerk Esther J. McCrackin, Assistant City Manager Frank Frazier, Finance Director Katherine C. Brafford, Henderson Water Reclamation Facility Director Tom Spain & Planning Director Erris Dunston.

CALL TO ORDER

The 14 January 2013 Regular Meeting of the Henderson City Council was called to order by Mayor James D. O'Geary at 6:02 p.m. in the R. G. "Chick" Young, Jr. Council Chambers, Municipal Building, 134 Rose Avenue, Henderson, NC.

ROLL CALL

The City Clerk called the roll and advised Mayor O'Geary a quorum was present.

INVOCATION AND PLEDGE OF ALLEGIANCE

Council Member Michael Rainey led those in attendance in a prayer and the Pledge of Allegiance.

Mayor O'Geary welcomed everyone to the first meeting of the New Year and said Ms. Peace-Jenkins was not feeling well and unable to attend this evening.

ADJUSTMENTS TO/APPROVAL OF AGENDA

Mayor O'Geary asked if there were any adjustments to the Agenda. No requests were made to adjust the Agenda. Mayor O'Geary asked for the pleasure of Council. Council Member Rainey moved to accept the Agenda as presented. Motion seconded by Council Member Daeke and unanimously approved.

APPROVAL OF MINUTES

Mayor O'Geary asked for any corrections to and/or approval of the minutes. Council Member Coffey moved the approval of the 10 December 2012 minutes as presented. Motion seconded by Council Member Daye and unanimously approved.

PUBLIC HEARING

Providing that Electronic Gaming Operations May Be Located Near Professional Training Schools for Adults. (*Reference: CAF 13-03; Ordinance 13-02*)

City Manager Griffin asked Planning Director Erris Dunston to apprise Council of the Planning Board's recommendation. Ms. Dunston emphasized this ordinance applies only to schools for adult students and said it was the unanimous decision of the Planning Board to support this change.

Council Member Rainey asked about the current law closing down internet cafés. City Attorney Zollicoffer said the court case is '*not a done deal*' and that loop holes exist which allow cafés to remain open.

With no further discussion, Mayor O'Geary opened the Public Hearing by asking if anyone was present who wished to speak in favor of this amendment.

Mr. Jim Crawford, 509 College St, Oxford, owner of the property at 943-W. Andrews Avenue, who is requesting this change, said he did not feel amending the existing ordinance would create a problem since this affects adults only.

No one else came forward so Mayor O'Geary then asked if anyone was present who wished to speak in opposition to the amendment. No one came forward.

Mayor O'Geary then closed the Public Hearing and asked for Council's pleasure.

Council Member Daeke moved the approval of Ordinance 13-02, *Providing that Electronic Gaming Operations May Be Located Near Professional Training Schools for Adults*. Motion seconded by Council Member Rainey and APPROVED by the following vote: YES: Coffey, Insoe, Rainey, Daeke, Brown and Daye. NO: Kearney. ABSTAIN: None. ABSENT: Peace-Jenkins. (*See Ordinance Book 8, p. 523*)

(Clerk's Note: Council Member Kearney felt internet cafés prey on the poor and could not support gambling and Council Member Coffey stated that although she was against gambling, adults make their own choices.)

PUBLIC COMMENT PERIOD ON AGENDA ITEMS

The City Clerk advised the Mayor and Council Members that no citizen wished to speak to Council on agenda matters.

NEW BUSINESS

Authorizing Bid Award for the Henderson Water Reclamation Facility Project to DeVere Construction Company, Inc., in the amount of \$15,519,000, and FY 13 Budget Amendment #22, Authorizing Additional Funds to the Henderson Water Reclamation Facility Project.
(Reference: CAF 13-12; Resolution 13-09; Ordinance 13-08)

City Manager Griffin asked Assistant City Manager Frank Frazier to lead the presentation and added Mr. Andy Lovingood from McGill would then add to the presentation. Mr. Frazier said six (6) bids were received for the project and it is recommended the project be awarded to DeVere Construction Company/. Mr. Frazier also said that once the bid award is approved, the bid will need to go before the NCDENR Infrastructure Division for final approval. Then Mr. Lovingood came forward. He said McGill appreciated working with the City staff on this project. Mr. Lovingood told Council that they have worked with (and currently are working with) DeVere Construction and feel they are responsible bidders with good references and properly licensure. Thus, McGill recommends awarding the contract to DeVere. If awarded the contract, the work will be based out of Raleigh, although their corporate office is in Michigan. Construction is anticipated to begin in March 2013 and near completion in November 2014.

Council Member Kearney asked where several of the bidders were located and what leverage the City had to encourage local hiring. Mr. Lovingood said there are State laws encouraging local help and also said the Infrastructure division would have input on this matter. Council Member Kearney then asked about the Davis Bacon Act.

City Attorney Zollicoffer asked that the record show that Alternatives 6-9 were added. He said he did not think the alternatives appeared in the resolution. Mr. Lovingood confirmed the addition of these alternatives. These alternatives were added to the agreement to ensure the contractor adheres to the Davis Bacon and Related Acts Provisions and Procedures.

Council Member Coffey asked how a company from Michigan could outbid local companies and went on to say she appreciated the income from out-of-towners having to stay at hotels and purchase meals. She also asked about the pay scale for those hired locally saying she did not want locals to be taken advantage of throughout the project. Mr. Lovingood said the contract

will have requirements which will be evaluated by the State's Infrastructure division and that the division will monitor the project monthly.

Mayor O'Geary then asked for the pleasure of Council.

Council Member Coffey moved the approval of Resolution 13-09, *Authorizing Bid Award for the Henderson Water Reclamation Facility Project to DeVere Construction Company, Inc., in the Amount of \$15,519,000* and Ordinance 13-08, FY 13 Budget Amendment #22, *Authorizing Additional Funds to the Henderson Water Reclamation Facility Project*. Motion seconded by Council Member Kearney and APPROVED by the following vote: YES: Coffey, Inscoe, Rainey, Daeke, Brown, Daye and Kearney. NO: None. ABSTAIN: None. ABSENT: Peace-Jenkins. (See Resolution Book 3, p. 119; Ordinance Book 8, p. 535)

(Clerk's Note: Prior to voting, Council Member Inscoe made the following comments. He said work on the wastewater plant was last done in 1982 and prior to that, 1962. This will be the first major overhaul in approximately 50 years which will result in some increases in utility costs to citizens. However, the alternative is to continue delaying work which would eventually lead to catastrophic failure. Mr. Inscoe said this is the time to be proactive.)

City Manager Griffin asked Henderson Water Reclamation Facility Director Tom Spain to stand to be recognized for his work over the last 32 years at the plant. Mr. Griffin complimented Mr. Spain for his ability to *work magic* to keep the plant in compliance. Mr. Spain has had to jury-rig many parts to keep the plant running and Mr. Griffin said he looks forward to December 2014 when the new plant will be up and running.

Mr. Spain accepted this recognition and shared his feelings that overall this should stabilize sewer rates and when the time comes, he will be proud to leave the City in a better situation.

Mr. Griffin then thanked Mr. Inscoe for his comments and added that this Council began to develop rate stabilization through raising rates incrementally over these next few years so when the debt service becomes due, we'll have the money in place. This new plant will place Henderson in a better position to handle future growth. He also thanked Mr. Lovingood and the firm of McGill and Associates because they found the funds and were extremely helpful to help the City through the process. He also thanked Assistant City Manager Frazier for being the "glue" that coordinated and held the entire process together. He has been very valuable throughout this process. Mr. Griffin ended by saying this is indeed a red letter day for the City. He said he is very proud of both the Council and staff.

Council Member Coffey asked to go on record saying she hoped whoever sits on Council in the future will attend to maintenance as needed. Council Member Kearney said part of being proactive will be keeping citizens informed.

Amending Fund 73: Economic Development Capital Reserve Fund and Authorizing an Amendment to the Capital Reserves Economic Development Fund Increasing City's Share of Funding for Thermo King Water Line Project, EDP Prospect 12-2. (Reference: CAF 13-10; Ordinance 13-07; Resolution 13-07)

City Manager Griffin said this is not a new project to Council. Because the NC Rural Center reduced their grant to the project it is necessary for Council to consider contributing an additional \$1,000 which increases the City's total contribution to \$2,222 (rounded to \$2,300 for budget purposes).

There was no discussion. Mayor O'Geary then asked for the pleasure of Council.

Council Member Insoe moved the approval of Ordinance 13-07, *Amending Fund 73: Economic Development Capital Reserve Fund* and Resolution 13-07, *Authorizing an Amendment to the Capital Reserves Economic Development Fund Increasing City's Share of Funding for Thermo King Water Line Project, EDP Prospect 12-2*. Motion seconded by Council Member Rainey and APPROVED by the following vote: YES: Rainey, Daeke, Brown, Daye, Kearney, Coffey and Insoe. NO: None. ABSTAIN: None. ABSENT: Peace-Jenkins. (See Ordinance Book 8, p.533; Resolution Book 3, p. 115)

CONSENT AGENDA

The City Clerk read the Consent Agenda, summarized as follows:

- a) **Supporting the 2013-2015 Funding for the Clean Water Management Trust Fund (CWMTF).** The CWMTF asked the City to adopt a resolution to show support of an increase in their recurring funding from the Governor and General Assembly for the 2013-2015 Biennial budget. (Reference: CAF 13-08; Resolution 13-06) (See Resolution Book 3, p. 113)
- b) **Tax Releases and Refunds from Vance County for the Month of November 2012.** The releases and refunds below are found to be in order and recommended for approval. (Reference: CAF 13-04)

November 2012 Tax Releases

Name	Reason	Tax Year	Amount
Real & Personal Property			
Baskerville, Josephine	Correct Value	2010	\$ 146.25
Barrera, Sandro	Remove Late List	2012	\$ 3.89
Cruz, Ricardo	Remove Late List	2012	\$ 3.16
Falkner, John Henry II	Remove Late List	2012	\$ 4.53
Franklin, Melvin C	Remove Late List	2012	\$ 3.36
Frazier, Dwight M., Jr.	Remove Late List	2012	\$ 6.37
Garcia, Miquel	Pers Prop Billed	2012	\$ 34.78
McDaniel, Shirley J.	Adjust Value	2012	\$ 818.42
Rubio, Mera	Remove Late List	2012	\$ 3.16
Smith, B. Michael	Remove Late List	2012	\$ 11.76
Wells Fargo Financial Serv.		2012	\$ (0.27)
Zuniga, Felipe	Pers Prop Billed	2012	\$ 24.14
Total Releases/R & P Prop			\$ 1,059.55
Registered Vehicles			
Refunds			
Creasman, Brian Keith	Pro-Rate	2012	\$ 3.10
Henderson, Kenneth Ray	Pro-Rate	2012	\$ 14.60
Kessler, James Roy	Pro-Rate	2012	\$ 1.47
White, Jessie Earl	Pro-Rate	2012	\$ 3.26
Total Refunds			\$ 22.43
Registered Vehicles			
Releases			
Creech-Brown, Robin	Pro-Rate	2011	\$ 2.92
Gregory, Rubin Boyd II	Pro-Rate	2011	\$ 12.25
Hargrove, Nannie Brand	Pro-Rate	2011	\$ 2.84
Harris, Cassandra Ann	Pro-Rate	2011	\$ 5.76
Hester, Ralph Thomas	Correct Situs	2011	\$ 932.38
Lemus, Israel Amaya	Pro-Rate	2011	\$ 8.35
Maldonado Maria Ines	Pro-Rate	2011	\$ 2.25
Roberson, Justine Wester	Pro-Rate	2011	\$ 1.73
Roberson, Leland Hayes	Pro-Rate	2011	\$ 0.93
Sub Total Reg Veh Releases			\$ 969.41

November 2012 Tax Releases Continued			
Name	Reason	Tax Year	Amount
Shivers, Shaquana Nichelle	Pro-Rate	2011	\$ 6.26
Steed, Angela Denise	Pro-Rate	2011	\$ 7.19
Woodard, Sherleen Terry	Pro-Rate	2011	\$ 2.43
Bailey, Latoya Mitchell	Pro-Rate	2012	\$ 14.94
Bates, Eric	Pro-Rate	2012	\$ 75.06
Fisher, Mamie Kersey	Pro-Rate	2012	\$ 5.85
Griffin, Linda Waddell	Pro-Rate	2012	\$ 3.85
Henderson, Kenneth Ray	Pro-Rate	2012	\$ 5.50
Keeter, Debra Lowe	Pro-Rate	2012	\$ 109.64
Perry, Wanda Cofield	Pro-Rate	2012	\$ 10.25
Yancey, Vivian Cox	Pro-Rate	2012	\$ 5.31
Total Reg Veh Releases			\$ 1,215.69
Total Reg Veh Releases			
& Refunds			\$ 1,238.12
Total All Release & Refunds			\$ 2,297.67

Mayor O'Geary asked if anyone wished to remove an item from the Consent Agenda. There were no requests for removal. Mayor O'Geary asked for a motion to approve the consent Agenda as presented.

Council Member Inscoe moved the approval of the Consent Agenda as presented. Motion seconded by Council Member Daeke and APPROVED by the following vote: YES: Daeke, Brown, Daye, Kearney, Coffey, Inscoe and Rainey. NO: None. ABSTAIN: None. ABSENT: Peace-Jenkins.

PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS

City Clerk McCrackin advised no citizen wished to address City Council.

REPORTS

- a) Mayor/Mayor Pro-Tem (No Report)
- b) City Manager (No Report)

Promissory Note for Sanitary Sewer Project - Mr. Griffin felt Council should be aware of the executed Promissory Note related to the Sanitary Sewer Rehabilitation project and reminded Council that of the \$1,000,000 received, \$500,000 is a loan at 2% interest and the remainder is in the form of principal forgiveness. He asked the

Clerk to incorporate the Note into the minutes which are incorporated by reference and hereby made part of these minutes (See *Attachment A*)

- c) City Attorney (No Report)
- d) City Clerk – (No Report)

Mayor O'Geary then asked if Council was ready to adjourn.

ADJOURNMENT

Council Member Inscoe moved for adjournment. Motion seconded by Council Member Coffey and unanimously approved. The meeting adjourned at 6:34 p.m.

James D. O'Geary
Mayor

ATTEST:

Esther J. McCrackin
City Clerk

12/11/12

City of Henderson
 Preliminary Schedule for Federal Revolving Loan
 For Planning Purposes Only
 Prepared by the Department of State Treasurer

Amount:	\$500,000	LGC Approval Date:	May 1, 2012
Term (Years):	20	Approval Amount:	\$1,000,000
Interest Rate:	2.00%	Loan Amount:	\$500,000
Est. Date of Completion:	May 7, 2012	Principal Forgiveness:	\$500,000
State Project Number:	E-SRF-T-12-0300	Certified Completion Date:	
	CS370410-05		

Fiscal Year	Outstanding Balance	Interest Rate	Nov. 1 Interest Payment	May 1 Interest Payment	May 1 Principal Payment	Total Payment
05/01/14	\$ 500,000.00	2.00%	\$ -	\$ 9,835.62	\$ 25,000.00	\$ 34,835.62
11/01/14	\$ 475,000.00	2.00%	\$ 4,750.00	\$ -	\$ -	\$ 4,750.00
05/01/15	\$ 475,000.00	2.00%	\$ -	\$ 4,750.00	\$ 25,000.00	\$ 29,750.00
11/01/15	\$ 450,000.00	2.00%	\$ 4,500.00	\$ -	\$ -	\$ 4,500.00
05/01/16	\$ 450,000.00	2.00%	\$ -	\$ 4,500.00	\$ 25,000.00	\$ 29,500.00
11/01/16	\$ 425,000.00	2.00%	\$ 4,250.00	\$ -	\$ -	\$ 4,250.00
05/01/17	\$ 425,000.00	2.00%	\$ -	\$ 4,250.00	\$ 25,000.00	\$ 29,250.00
11/01/17	\$ 400,000.00	2.00%	\$ 4,000.00	\$ -	\$ -	\$ 4,000.00
05/01/18	\$ 400,000.00	2.00%	\$ -	\$ 4,000.00	\$ 25,000.00	\$ 29,000.00
11/01/18	\$ 375,000.00	2.00%	\$ 3,750.00	\$ -	\$ -	\$ 3,750.00
05/01/19	\$ 375,000.00	2.00%	\$ -	\$ 3,750.00	\$ 25,000.00	\$ 28,750.00
11/01/19	\$ 350,000.00	2.00%	\$ 3,500.00	\$ -	\$ -	\$ 3,500.00
05/01/20	\$ 350,000.00	2.00%	\$ -	\$ 3,500.00	\$ 25,000.00	\$ 28,500.00
11/01/20	\$ 325,000.00	2.00%	\$ 3,250.00	\$ -	\$ -	\$ 3,250.00
05/01/21	\$ 325,000.00	2.00%	\$ -	\$ 3,250.00	\$ 25,000.00	\$ 28,250.00
11/01/21	\$ 300,000.00	2.00%	\$ 3,000.00	\$ -	\$ -	\$ 3,000.00
05/01/22	\$ 300,000.00	2.00%	\$ -	\$ 3,000.00	\$ 25,000.00	\$ 28,000.00
11/01/22	\$ 275,000.00	2.00%	\$ 2,750.00	\$ -	\$ -	\$ 2,750.00
05/01/23	\$ 275,000.00	2.00%	\$ -	\$ 2,750.00	\$ 25,000.00	\$ 27,750.00
11/01/23	\$ 250,000.00	2.00%	\$ 2,500.00	\$ -	\$ -	\$ 2,500.00
05/01/24	\$ 250,000.00	2.00%	\$ -	\$ 2,500.00	\$ 25,000.00	\$ 27,500.00
11/01/24	\$ 225,000.00	2.00%	\$ 2,250.00	\$ -	\$ -	\$ 2,250.00
05/01/25	\$ 225,000.00	2.00%	\$ -	\$ 2,250.00	\$ 25,000.00	\$ 27,250.00
11/01/25	\$ 200,000.00	2.00%	\$ 2,000.00	\$ -	\$ -	\$ 2,000.00
05/01/26	\$ 200,000.00	2.00%	\$ -	\$ 2,000.00	\$ 25,000.00	\$ 27,000.00
11/01/26	\$ 175,000.00	2.00%	\$ 1,750.00	\$ -	\$ -	\$ 1,750.00
05/01/27	\$ 175,000.00	2.00%	\$ -	\$ 1,750.00	\$ 25,000.00	\$ 26,750.00
11/01/27	\$ 150,000.00	2.00%	\$ 1,500.00	\$ -	\$ -	\$ 1,500.00
05/01/28	\$ 150,000.00	2.00%	\$ -	\$ 1,500.00	\$ 25,000.00	\$ 26,500.00
11/01/28	\$ 125,000.00	2.00%	\$ 1,250.00	\$ -	\$ -	\$ 1,250.00
05/01/29	\$ 125,000.00	2.00%	\$ -	\$ 1,250.00	\$ 25,000.00	\$ 26,250.00
11/01/29	\$ 100,000.00	2.00%	\$ 1,000.00	\$ -	\$ -	\$ 1,000.00
05/01/30	\$ 100,000.00	2.00%	\$ -	\$ 1,000.00	\$ 25,000.00	\$ 26,000.00
11/01/30	\$ 75,000.00	2.00%	\$ 750.00	\$ -	\$ -	\$ 750.00
05/01/31	\$ 75,000.00	2.00%	\$ -	\$ 750.00	\$ 25,000.00	\$ 25,750.00
11/01/31	\$ 50,000.00	2.00%	\$ 500.00	\$ -	\$ -	\$ 500.00
05/01/32	\$ 50,000.00	2.00%	\$ -	\$ 500.00	\$ 25,000.00	\$ 25,500.00
			\$ 47,250.00	\$ 57,085.62	\$ 475,000.00	\$ 579,335.62

NOTE: The first interest payment is calculated for the period May 7, 2013 to May 1, 2014 on a 365-day basis (359 days). Subsequent interest payments are calculated on a six-month basis.